



**OPPORTUNITIES FOR HOMEWORKING IN SCOTLAND:  
KEY FINDINGS FROM RESEARCH REPORT**

**27 April 2015**

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## 1. BACKGROUND

This document highlights the key findings of the full research report produced by the University of Glasgow for Scottish Enterprise and Highlands & Islands Enterprise.

It highlights the key trends and drivers in homeworking, the potential to increase homeworking alongside the associated challenges and approaches needed to support the development of the industry.

Finally this document looks at key conclusions and recommendations needed to drive the industry forward.

To download the full report including company case studies go to <http://www.sdi.co.uk/homeworkingreport> to register to receive a copy.

## 2. KEY TRENDS AND DRIVERS IN HOMEWORKING

### Key Findings

1. Homeworking is becoming more common across the EU. However, the rate of homeworking in the UK is below the EU average (and is significantly below the best performing country).
2. Scotland has the lowest level of homeworking of all UK nations and regions at 11%.
3. However, the rate varies dramatically across Scotland. The local authority areas of Orkney, Argyll and Bute, Western Isles, Dumfries and Galloway, Highland, Scottish Borders and Perth and Kinross have the highest rates of homeworking.
4. For employers, the key drivers for adopting homeworking are cost savings, increasing productivity, improving customer service, improving staff retention, broadening the recruitment pool and reducing the impact on the environment.
5. For employees, the advantages of homeworking are a better work-life balance and reduced costs in relation to commuting. In addition, homeworking allows individuals that may otherwise not have been able to engage in the labour market (for example, due to a disability) to take up employment.

## 3. POTENTIAL FOR INCREASING HOMEWORKING IN BUSINESS SERVICES

### Key Findings

1. The business services sector plays a key role in the Scottish economy, employing 121,500 and contributing £6.4 billion to the economy.
2. 21% of those employed in the broader sector in which business services sits (banking and finance, real estate and administrative support services) work from home. 25% of all homeworkers work in banking and finance, real estate and administrative support services (compared to 17% of all employed). Combined these suggest that homeworking is already common within business services.
3. A number of the opportunities and challenges facing the business services sector have the potential to lead to an increase in homeworking including:
  - Technological developments are enabling services to be located in more remote areas and across a wider range of business functions.
  - Homeworking should help business services employers deliver cost savings for their clients.
  - The sector is developing a range of non-traditional organisational structures – and these are likely to be more accommodating of homeworking.

#### 4. APPROACHES TO ENCOURAGING AND SUPPORTING HOMEWORKING

##### Key Findings

1. The key elements of encouraging and supporting homeworking are:
  - Promoting the benefits of homeworking to businesses, including potential inward investors.
  - Promoting the benefits to potential employees.
  - Providing support to potential inward investors to recruit homeworkers.
  - Ensuring appropriate infrastructure – especially broadband – is in place.
  - Ensuring appropriate skills are in place and, where they are not, developing training to meet the needs of employers.

## 5. CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

1. Data on the extent and nature of homeworking is limited but:
  - The available data suggests a trend towards an increasing proportion of the workforce working at home.
  - Consultees felt homeworking is likely to continue to expand.
2. The key drivers of the increase in homeworking include a need to find new and innovative ways of working, advances in technology and concerns about the environment.
3. There is a clear business case for homeworking that includes cost savings, increases in productivity, retention of staff, widening hiring choices and supporting the environment.
4. Research shows employees are positive about homeworking and feel it can deliver a better work-life balance.
5. Within Scotland, a larger proportions of the workforce works from home in more rural areas.
6. The business services sector is an important sector in the Scottish economy. Several of the key future drivers for the development of the sector could be addressed through the use of homeworking.

### Recommendations

1. As homeworking becomes an increasingly important way of organising work, economic development agencies will have a key role to play in ensuring the infrastructure and labour force are in place to take advantage of these opportunities.
2. Any approach that is taken to encouraging and supporting homeworking must align with other economic development and wider policies in areas such as inward investment, skills development, housing and infrastructure.
3. In general, consultees felt that SE and HIE were pursuing appropriate policies. Going forward, the key elements of the approach should include:
  - Promoting the benefits of homeworking to businesses. Effective approaches include pilots, conferences, information on social media and case studies. There is also a need to promote technological solutions, the business case and the qualities of the Scottish workforce to potential inward investors.
  - Promoting the benefits to potential employees. There is a need to reach these through non-traditional recruitment channels. In addition, potential inward investors could benefit from support to recruit employees.
  - Ensuring appropriate infrastructure is in place. Broadband availability is a key issue. It is important to highlight the large scale of recent investment in this key infrastructure to potential inward investors.
  - Ensuring appropriate skills are in place. The presence of experienced and motivated homeworkers in Scotland, including in a number of remote regions, can be used to highlight that availability of good quality and skilled workers suitable for homeworking. The skills of the workforce can be enhanced further through targeted training, linked to the needs of employers.